


PX-508.01

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/1019-what-is-ethereum/?do=findComment&comment=9111>

JoelKatz



Ripple Employee

884

Posted February 25, 2016


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On 2/25/2016 at 6:14 AM, Hodor said:

I thought at its core it started as a simple Ripple fork? Or has the code been altered that much where it has evolved to something totally different?

You're probably thinking of Stellar. Ethereum has very little in common with Ripple. Ethereum is much like Bitcoin (blockchain, mining) except it acts like a platform that you can easily write code for. The code can constrain how objects on the Ethereum blockchain behave and interact. It's extremely cool technically, but it's still not quite clear what the use cases will be.

T8493 and Hodor


 2

PX-508.02

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/1214-did-any-of-these-people-ever-get-their-xrp/?do=findComment&comment=10966>

Morty



Moderator

895

Posted April 3, 2016


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On 4/3/2016 at 2:31 PM, JoelKatz said:

We have announced our intention to have a "giveaway" of XRP to market makers based on how tight the spreads are.

Is there anything at all you can tell us about how it will work?

JoelKatz



Ripple Employee

884

Posted April 4, 2016

Popular Post

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Pretty much all I can say is that we plan to announce a more detailed plan shortly and that we expect very significant progress on this front by the end of the year. People who plan to make markets between XRP and other assets will register with us, and so long as we can lawfully pay them money, we will pay them an XRP incentive based on how tight the spread was and how long they kept the liquidity on the books. To prevent the system from being gamed, it will not look at whether the liquidity was used or not but just whether it was available.


MundoXRP, D-fault123, anotherscott and 11 others 14

PX-508.03

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/1385-chain/?page=2&tab=comments#comment-12565>

JoelKatz



Ripple Employee

884

Posted May 6, 2016

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On 5/5/2016 at 7:22 PM, Morty said:

@JoelKatz what does Ripple actually sell? How do you guys make money? Is it XRP?

Ripple's revenue prospects fall into two categories. One category is products and services related to ILP and RCL such as Ripple Connect. The other category is increasing the value of XRP such as by making it competitive as a vehicle currency.

https://ripple.com/knowledge_center/ripple-connect-product-overview/

https://ripple.com/files/ripple_vision.pdf

Morty, zea, RDS and 4 others

7

PX-508.04

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/1512-if-ripple-failed-xrp-died/?do=findComment&comment=13815>

goldenmoneyxrp

Posted June 3, 2016

...



Member

1

IF (just if) Ripple Lab failed, XRP will died right?

IF Ripple Lab success and sustainable, XRP can be alive or died.

So XRP is very tied to Ripple Lab? And Ripple Lab not really tied towards XRP as more and more RCL do not need XRP as "stamp fee" any more? Basically what I see is Ripple Lab is now become more like a consultant helping financial institutions to implement RCL like network without actually having to use XRP as a fees, correctly me if I am wrong.

There is also no plan whatsoever from Ripple Lab to encourage the use of XRP as an alternative to Bitcoin for merchandising or other payment. Again, correct me if I am wrong.

Sleepwalker 1

JoelKatz

Posted June 3, 2016

Popular Post

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Ripple Employee

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I don't think it's likely XRP would succeed without us, though it's possible. I do think it's possible for us to succeed without XRP succeeding, as we do have other sources of revenue.

That said, our XRP is a significant asset. Today, there are significant technical obstacles to using XRP as a bridge or vehicle currency. However, every ILP transaction is one with no significant technical obstacles to using XRP as a bridging currency. Our XRP strategy is based on promoting it as a bridging currency in an ILP world through various strategies including paying traders an incentive to keep spreads low.

This strategy actually works even if ILP fails, so long as ILP fails because something else does the same job ILP does that can also support XRP bridging. We don't need ILP specifically to succeed, we just need a good way to make inter-ledger payments. If someone made a superior interledger payment scheme, we'd just adopt that instead.

We've made the case for why we think a vehicle currency is extremely useful, why we think a crypto-currency has a good chance of being a top vehicle currency, and why we think XRP will be the best crypto-currency for this application. We do not plan to encourage use of XRP as an alternative to Bitcoin or as a direct payment method at this time, though if its demand and price becomes strong and stable in the future, that might make sense. It seems like a better strategy to grow the crypto-currency pie than to pick a fight with a strong player for a bigger slice of it.

We cannot do everything, so we have to pick those things that we think we are in the best position to do and that have the best chance at success.


nik, Sleepwalker, Dsimmo and 17 others 20

PX-508.05

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/1794-how-did-the-vcs-value-ripple-labs/>

JoelKatz



Ripple Employee

884

Posted August 8, 2016

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On 8/5/2016 at 8:24 PM, bitcoinranger said:

Also I remember being surprised at the amount of equity they were willing to part with considering they could find completely with xrp.

There were several reasons not to fund the company entirely on XRP:

- 1) The demand for and price of XRP is unreliable and the company had no way to build up any kind of reserve without investment.
- 2) Holding on to sufficient XRP was essential to ensure the company would eventually be able to monetize any significant increase in the price of XRP that it was able to achieve.
- 3) Using XRP to incentivize partners and align incentives would be hard if we were selling it quickly.
- 4) Investors bring more than just money, they bring expertise and credibility.
- 5) We wanted to grow at a rate that was larger than we could have funded just on XRP sales.

T8493, thinlyspread, Xi195 and 6 others


 9

PX-508.06

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/2808-exchanges-with-xrp-autobridging-aka-im-not-going-to-spill-the-beans-just-yet/?do=findComment&comment=25770>

JoelKatz



Ripple Employee

884

Posted January 21, 2017

Popular Post

On 1/20/2017 at 4:42 PM, Morty said:

A lot of exchanges have ETH/BTC markets with plenty of liquidity. How will XRP be more competitive?

That's the challenge for us. We will have to compete in a fairly level playing field. We could wind up building an awesome payments infrastructure and XRP could still lose out to other assets. One big advantage we have -- we control a lot of XRP and we're heavily focused on promoting it in this specific way. Nobody has this kind of focused interest on promoting bitcoin in this way. We have several strategies, some we've disclosed and some we haven't, but I think it's fair to say it's a bit of a long shot.

Onizuka, Khaleesi, I_just_want_a_McLaren and 12 others

14

1

PX-508.07

XRPchat.com post by Miguel Vias.

<https://www.xrpchat.com/topic/3290-countering-the-%E2%80%98damocles-effect%E2%80%99/?do=findComment&comment=30956>

miguel



Ripple Employee

 31

Posted March 19, 2017

Popular Post

Hey guys. Can't give too many details, but I agree supply uncertainty is a big issue, and we're working on a few things that are going to help clear things up. Good suggestions in here though. Must admit I love how much much this community is constantly thinking of ways to help. It's very refreshing. Thank you!

Sent from my Nexus 6 using Tapataalk

Samuel, Professor Hantzen, tomb and 15 others


 18

PX-508.08

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/3649-vinnie-calls-ripple-hype-edited/?do=findComment&comment=34949>

JoelKatz



Ripple Employee

884

Posted April 5, 2017

Featured Comment

Popular Post

Our strategy with FIs has not been to push them to use XRP or RCL. The strategy has been to offer them a solution that will get better when and if XRP can provide intermediary liquidity.

Until fairly recently, mentioning XRP to an FI was a big problem. They were just unwilling to go anywhere near it. This was one of the factors driving the pivot to ILP.

Recently, FIs have become more receptive to using a crypto-currency like XRP. Frankly, it's not an easy sell because XRP doesn't have bitcoin's liquidity. But it does have lower transaction cost, higher transaction speed, and greater transaction capacity.

I'd love to fill in a lot more details, but unfortunately we really can't publicly discuss strategy.

I do agree that based solely on publicly available information, you can't infer that these deals will directly impact XRP price or volume. And I'm not saying that to imply that I have secret information that it will. That's just a fact.

And I think that one could imagine a scenario in which Ripple, the company, succeeds wildly and becomes a multibillion dollar company and yet XRP fails to ever go anywhere. However, Ripple holds a lot of XRP, and Ripple benefits significantly if there's price appreciation.

The long-term success of XRP could happen some way none of us can predict. But the realistic success case is that Ripple succeeds in the payments space and then successfully promotes XRP as a vehicle currency. I have always believed that that's a long shot. But I also think the progress we made speaks for itself.

If nothing else, these deals increase our reach and credibility. Also, if you look at the kind of deals we are making and compare them to the kind of deals other companies in the space are making, you will see a significant, qualitative difference. Most other companies are just doing technology experiments or proof of concepts. We're building coalitions that are working on rules and legal frameworks. We're shipping software that FIs are paying for. (Though, to be honest, we also have a lot of announcements that are largely fluff. I'll admit that.)

Imagine if Ripple is shipping software to banks that they're using to verify compliance for and do routing of their international payments, banks are receptive to using crypto-currencies, banks have rules and a legal framework surrounding transactions bridged by crypto-currencies, and we're able to build pools of liquidity to and from XRP. The last piece is, I think, the only really hard one.

On an unrelated note, this position is still open, though we do have at least one candidate in the pipeline: <https://ripple.com/company/careers/all-jobs/#senior-product-marketing-manager-xrp-markets>


Chan_Maddanna, Roborovskii, mike91 and 29 others

32

PX-508.09

XRPchat.com post by Miguel Vias.

<https://www.xrpchat.com/topic/3513-in-depth-xrp-market-making%C2%A0incentive-program-on-bitstamp/?do=findComment&comment=35819>



miguel

Ripple Employee

31

Posted April 8, 2017

Popular Post

Hi All,

Apologies for not being around much over the last few days. The volatility in the price has created much interest and work, both internally and externally.

As for the program on Bitstamp, I think the one thing we could have done better is set expectations with respect to how much volume the programs could support. There was a budget and that budget ran out more quickly than was anticipated so the programs ended more quickly than anticipated. In the future we'll make sure to disclose that programs can end sooner should volumes increase significantly.

As for whether or not it was successful, I think it's a little early to tell because of the spike in volumes across the board. In some respects it's a good problem to have, but it makes assessing the effectiveness of the program difficult to measure.

For what it's worth, I do not think the announcement of the program had much, if anything, to do with the activity last weekend. The market had been building momentum for a few weeks before the spike on Sunday, and most of the activity was on Poloniex.

Lastly, it was largely my call to incentivize XRP/BTC, and I had mixed feelings about it. On the one hand, XRP/BTC volume is not the goal for XRP. I've been very clear that in order for XRP to become the standard for international value transfer it will need robust fiat liquidity. Yet, it may be too early to focus solely on fiat. Currently the majority of flows into the digital asset space occur through BTC and not leveraging that felt like a possible missed opportunity.

Hope that helps and as always thank you for the interest in all of this. It always feels good to know we're not alone. Hope everyone has a great weekend.

Professor Hantzen, TplusZero, Apollo and 21 others

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PX-508.10

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/4670-i-dont-get-this-valuation/?page=2&tab=comments#comment-44891>

JoelKatz




Ripple Employee

884

Posted May 15, 2017

Popular Post

 On 5/15/2017 at 3:48 AM, vertigo72 said:

AFAIK, not a single pizza has been bought with XRP. This seems to be speculation that banks will adopt the ripple protocol as a replacement for swift settlements and XRP would serve as a reserve currency. Even if banks where to do this one day, and Im sure they will do something similar eventually, why on earth would they use the Ripple as is, and buy in to your \$24B blockchain, when they can just as well fork ripple code, adapt it to their needs, create their own token and not be dependant on a small startup like ripple labs that controls 60% of that reserve currency?

I'm sure banks probably will try that. And we'll have to compete with everyone else's efforts on the level playing field that we expect ILP to create. Consortiums of banks will likely claim market share in the jurisdictions in which they operate. So expecting XRP to capture, say, large USD→EUR flows early might be unreasonable. Banks will probably do that super-efficiently for the foreseeable future. They may well still use Ripple tech for the messaging part, so the day XRP is financially able to bridge those payments, there will be no technical obstacles.

But if you think about it, how would banks make such an asset? Would they back it? If so, with what currency? How would it bridge across varied jurisdictions? How would it reach to the corners of the world? How would it have any value and liquidity? In other words, they'd have to start by catching up to XRP. We talk to a lot of banks all the time. They experiment with all kinds of things. But what tech is production ready?

And what benefit would it give them over XRP? They wouldn't have our expertise behind it. And if it's backed, there's no way to benefit from its increase in value.


And there's tricks we can do that they can't. Just as bitcoin's nature as a decentralized counterparty-free asset allows it to incentivize mining without someone having to pay for mining, XRP can incentivize market making without someone having to pay for it. I don't see how banks would match that.

But they'll try. And maybe they will. But there's still huge underserved (and even currently non-existent because they're unserved) payments spaces. And we'll target those. And then every new asset liquid to XRP will be liquid to all those formerly underserved spaces. And we have a lot of smart people with quite a few tricks up our sleeves.

I can't promise we'll be able to pull it off, but we're going to try. Right now, Ripple's XRP has a notional value of something like \$14 billion. We have every incentive to try to increase and realize that value.

By the way, I don't know of any pizzas bought with XRP. But I do have a roll of silver dimes that I bought with XRP. I traded the XRP on-ledger for a token that is backed by silver dimes. I then redeemed the tokens and the silver dimes arrived in the mail. See here: <https://bitcointalk.org/index.php?topic=149533.0>

segra, Chan_Maddanna, TplusZero and 20 others

 23

PX-508.11

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/4670-i-dont-get-this-valuation/?do=findComment&comment=45381>

JoelKatz



Ripple Employee

 884

Posted May 16, 2017

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 On 5/15/2017 at 7:00 PM, Spekul8 said:

Do you hold any XRP? If you are allowed to disclose I would love to know.

I mentioned publicly about two years ago that I held about 16 million XRP at that time.

Chunks  1

PX-508.12

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/4877-why-would-ripple-allow-such-crazy-volatility/?do=findComment&comment=46641>

Why would Ripple allow such crazy volatility?



By Xrpmonster,

May 17, 2017 in XRP Trading and Price Speculation

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JoelKatz

Posted May 18, 2017

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Ripple Employee

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The more liquid XRP is, that is, the more value you can buy or sell without significantly moving the price, the more markets it can target as a vehicle currency. Price and liquidity tend to correlate very well. This increase in price, and corresponding increase in liquidity, make it that much easier for us to promote XRP as a vehicle currency and intermediary asset.

Also, remember that this is just the use case Ripple is pursuing for XRP. The recent increase in market cap and liquidity will probably greatly increase the number of other companies pursuing other use cases for XRP.

All of these things can increase the value Ripple may ultimately be able to get for its stockpile of XRP. We do care about that a little.

Lastly, the only way we could have stopped it would have been to flood the market with XRP. Imagine if we had done that and this was just a small pump and dump. The price would have crashed quickly and what could we have done to fix that? We had no way to know what was going to happen.

Honestly, I'm pretty thrilled about the increased revenue and attention that we're getting. The improvement in the personal finances of a lot of people who believed in us makes me feel pretty good too.

UrzasLegacy, will4star, zk-Snarks and 9 others

12

PX-508.13

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/4979-ripple-price-affected-by-bank-failures/?do=findComment&comment=47644>

JoelKatz



Ripple Employee

884

Posted May 20, 2017

On 5/19/2017 at 8:12 PM, qwertyubb said:

What are the some advantage of bitcoin over XRP?

Primarily liquidity, value, censorship resistance, and breadth of adoption. Obviously, XRP has gained a lot in the first two areas recently and is started to gain the last one as a result of gains in the first two. We're working hard on the third one.


qwertyubb, Dsimmo, TplusZero and 1 other 4

PX-508.14

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/6360-value-of-using-ripple-over-other-currency-on-the-ripple-network/>

JoelKatz



Ripple Employee

884

Posted June 15, 2017

Popular Post

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On 6/13/2017 at 10:22 PM, Trippy said:

I still don't get why XRP would be valued above another cryptocurrency like BTC. Can't the banks hold BTC or ETH in reserve and use that over the Ripple network instead of XRP? What's the specific advantage of XRP?

One problem is on the receiving end. Say a bank receives a million dollar payment in the form of BTC or ETH and then the recipient wants to make an outbound payment on a conventional domestic payment rail. What does the bank do? Sell BTC or ETH? How?

Ripple's XRP strategy includes incentivizing liquidity pools between XRP and fiat already at (or near) the receiving bank. That means the receiving bank is paid in fiat already at (or near) that bank. So the payment is instantly settled, rather than leaving them a pile of a token that they then have to sell or settle somehow.

Now it's true that somebody could build such liquidity pools with BTC or ETH. But who would? Ripple is uniquely positioned to have both the means and the incentive to do that. We have a unique revenue model of the appreciation of the value of XRP, much of which we can capture, combined with a huge war chest of XRP (worth billions at the current price) that we can use to incentivize.

It's not that nobody else could conceivably do it. It's that we're doing it and nobody else is, or even really has reason to. Why should banks do it at their own expense when we're doing it already? Unless you think some bank consortium is going to launch a counterparty-less, floating value token and try to profit from its appreciation in value (as we are) in which case we're way ahead of them in many ways.

I would also add that XRP has been specifically designed and optimized for this purpose. A payment that delivered fiat in this way would need something like ILP to coordinate across ledgers. We have escrow and payment channels for optimum ILP operation with XRP. Our transactions are faster, cheaper, more predictable, and more scalable. So we think we can win for this use case on a level playing field.

vickyhunter, Let_her_Ripple, Darko and 30 others


33

PX-508.15

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/6360-value-of-using-ripple-over-other-currency-on-the-ripple-network/?do=findComment&comment=61891>

JoelKatz



Ripple Employee

884

Posted June 16, 2017

Popular Post

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On 6/15/2017 at 9:28 AM, Hodor said:

@JoelKatz

Is it also true that **for high-dollar transactions** such as multi-million dollar payments, it's easier to use XRP if the price of the token is higher? i.e., is there something other than the commutative property of multiplication that is a factor for high-dollar value transactions?

The price doesn't directly matter, but it does indirectly matter. To use XRP for high-value transactions, you have to be able to buy and sell a large value of XRP without significantly moving the market. This requires an asset with high liquidity, and liquidity tends to correlate with price. For example, it's much cheaper and easier to sell \$1 million worth of XRP now than it was six months ago when the price was lower.


ripperic, Raul31, jacobson and 16 others

19

PX-508.16

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/6659-noob-question-dont-attack-me-pls/?do=findComment&comment=63948>

JoelKatz

 Ripple Employee
 884

Posted June 22, 2017
 Popular Post

On 6/22/2017 at 5:35 PM, jmxfield said:

My question is simply this: why should banks use xrp as their currency of exchange on the ripple network? If the banking network decide to adopt their own digital currency that is not influenced by public trade and volatility, one which is available only within the banking network then I'm certain ripple will accommodate the banks requirements given ripple's profit is based on the ripple software not the associated xrp currency.

Ripple holds something like 60 billion XRP with a notional value of something like \$12 billion. To say that Ripple's profit is based on software sales is just not true.

I expect that what you're suggesting will happen. XRP will compete with those kinds of solutions as well as with other crypto-currencies on a level playing field.

The problem any banking network token would have is that without deep pools of liquidity, it can only be used for payments, not for settlement. Say I receive an international payment for \$1 million and my bank receives some new banking network token. Now, say I want to wire that money over a conventional, domestic payment rail. What does my bank do with the token?

So, two solutions:

- 1) Banks launch a token pegged to fiat and finance the pools of liquidity themselves. Well, this is not going to be a neutral, international asset because it's pegged to some particular fiat. Also, banks will have to pre-fund all payments out of their own pockets or they'll still have multi-day settlement times.
- 2) Banks launch a token very much like XRP and seek to finance the creation of liquidity through the appreciation of the token. I think this is a very unlikely scenario for many reasons, but even so, we're *way* ahead of them in establishing the value of the asset, getting financial institution buy in, assembling a qualified team, raising capital, and many other areas. But, yes, if a new company or consortium tried to do exactly what we're doing, we'd have to compete with them.

By the way, solution 1 is potentially awesome for us. Those islands of fiat-pegged, banking tokens will need some way to settle with each other, and we think XRP would be a perfect way to do that.

OctagonFS, SimpleLife, Alluvial and 18 others
 21

PX-508.17

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/6717-27-trillion-market-bank-dlt-and-blockchain-insider-claims-ripple-pivoting-away-from-xrp/?do=findComment&comment=64230>

\$27 Trillion Market - Bank DLT and Blockchain Insider Claims Ripple Pivoting Away from XRP



By interexchange,

June 23, 2017 in XRP Trading and Price Speculation

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JoelKatz

Posted June 24, 2017

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Ripple Employee

884

He says this:

Quote

A gateway/bank can accept another gateway/bank's IOU token, which moves across the network at the same speed as XRP. I don't think you realise that Ripple has made a significant amount of technical and business decisions to allow the public network and other instances to be used without XRP. Also, it isn't the cheapest since there is volatility risk.

Either he doesn't understand the difference between payment and settlement or he's deliberately trying to mislead people.

Also:

Quote

The fact that Ripple has been focusing more and more on the tech for banks and less and less on XRP, is public information. They are pivoting in plain sight and XRP investors refuse to see it.

Actually, we've done precisely the reverse. Just a few months ago, we didn't even have a link to XRP on our home page. Now, it's up front in all of our messaging.

Lastly:

Quote

Understand that the possibility Ripple is having private conversations with companies and banks is possibly greater than zero. And understand that the possibility Ripple wants to sell services and a network rather than fight a potentially impossible road to get banks to buy XRP so XRP holders can profit, is possibly greater than zero.

This really makes no sense at all. We hold over 60 billion XRP with a notional value of over \$20 billion, which we can sell over time at near zero cost (assuming the price and liquidity holds). You think our bank software business will be anywhere close to that any time soon? How many banks do we have to sign to get as much revenue as a 1 cent increase in the price of XRP? 100? 300?

But, of course, we don't have to choose because they both go together perfectly. Every bank that adopts our services and network is one more endpoint whose payments can settle over XRP the instant the liquidity is there.

As for it being "potentially impossible", I would just say that it's very unlikely that we won't ever have instantaneous global settlement. If there's a technology or product in existence that can do this better than XRP, please tell me what it is. And if you're talking about something not in existence, why would you think we'd find it impossible to compete with something that doesn't even exist yet? And remember, right now we hold more than half the XRP that will ever exist. If getting banks to buy XRP was the bottleneck, we could easily just give it to them.

xh3b4sd, Parabellum, segra and 39 others

42

PX-508.18

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/7054-how-do-you-like-your-misinformation-please-feel-free-to-correct-him/?do=findComment&comment=67173>

How do you like your misinformation? Please, feel free to correct him

xrp

eth

btc

ethereum

bitcoin

price

scam



By ObservantOne,
July 5, 2017 in Off-Topic

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JoelKatz

Posted July 6, 2017

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Ripple Employee

884

There is a huge advantage to having one entity that holds a significant fraction of an asset. Ripple could spend \$100 million on something that has no conventional way of creating revenue, but if it pushed the price of XRP up by one penny over the long term, Ripple would massively profit. Nobody has that kind of concentrated interest in any coin distributed primarily by mining. The money that would have gone to pay for ASICs and electricity to mine the asset instead goes to building the liquidity and technology to make XRP attractive for the use case Ripple is focused on.

There are things an asset that isn't mined can do that an asset that's mined cannot do because of this difference.

Let me give you a stark example. The Bitcoin foundation has been trying to raise funds to combat New York's BitLicense regulation. On April 10, 2017, they announced that they needed to raise between \$100,000 and \$200,000 and that the first hearing was May 4. Likely these efforts would benefit many bitcoin users and holders, but nobody has a concentrated enough interest to pay the bulk of the funds.

This a clear example of a public good free rider problem -- everybody is worse off if nobody contributes, but nobody has a strong individual incentive to contribute. Everyone wants to be the only one who doesn't contribute. As of today, more than one month past that hearing, they've raised about 3 BTC. How much do you think Ripple can (and does) spend on regulatory issues critical to using XRP for its use case? The reason is obvious -- keeping the regulatory way clear for XRP's use for settlement makes a huge difference to Ripple, the company, specifically.


natethesnake, Alluvial, Gyru and 21 others

24

PX-508.19

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/8054-xcurrent-xrapid-xvia/?do=findComment&comment=78191>

JoelKatz

Ripple Employee
884

Posted August 9, 2017

Popular Post

On 8/6/2017 at 8:27 AM, ACC-XRP said:

So, I guess the question to ask now, digital assets aside, what makes Ripples xCurrent better than PayCommerce's enterprising software solution when they seem to be able to do the same things, albeit in slightly different ways?

I think it's a lot like asking what makes a service offered over the Internet better than a service offered over a proprietary network. In the early days, this one factor wouldn't make all that much of a difference. But over time, you're either going to have to take over the world or interoperate using open standards.

I also think that building deep pools of liquidity is going to cost a lot of money. PayCommerce can't materialize revenue from liquidity through a token. Ripple can. Even if you assume the price of XRP stays roughly where it is now, Ripple takes a third of its XRP revenue as dividends to stockholders, needs a third of its XRP revenue for other expenses, and Ripple sells its XRP over ten years, that still gives Ripple over \$300 million per year for each of the next ten years that it can spend on incentivizing liquidity. No other revenue model that I can think of can compete with that.

(Of course, you probably couldn't materialize \$300 million the first year because there's unlikely to be enough liquidity. But that just means you get more later.)

Xrphunter, Javim777, Messier16 and 11 others


14

PX-508.20

XRPchat.com Post by Miguel Vias

<https://www.xrpchat.com/topic/8282-is-miguel-vias-in-xrpchat/?do=findComment&comment=79213>

Is Miguel Vias in XRPChat?




By XRPage,
August 11, 2017 in XRP Trading and Price Speculation

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miguel



Ripple Employee

31

Posted August 11, 2017

Popular Post

...

Fits and starts guys. There's a lot of noise out there so I understand it can be frustrating and confusing. Our path was never going to be a short one. We work with enterprises so the pace is slower but the payoff will be worth it. What I would say, it's a little disappointing to hear complaints about XRP not appreciating fast enough, as if it were simply some get rich quick scheme. I don't mean to sound naive, but it's such a stark difference to how I and everyone else at Ripple thinks about XRP. Our vision is literally world changing, and the last thing we are worried about is the price going up. That's a forgone conclusion if we continue to focus on the work, which is exactly what we're doing.

sasa123123, Guest1, JTxrPP and 118 others

86

32

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PX-508.21

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/9247-utility-settlement-coin-usc-competition-or-good-news/?do=findComment&comment=92418>

JoelKatz



Ripple Employee

884

Posted September 4, 2017

Popular Post

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On 9/4/2017 at 12:31 AM, missdaboat said:

It seems a pipedream they are trying to target inefficient corridors when banks and financial institutions have been keen to bypass Ripple tokens in favour of their own internal clearing tokens.

And yet nobody has ever explained how these internal clearing tokens will work. If I receive a payment and my bank has one of these internal clearing tokens, what does my bank do with the token if I want to make a conventional, domestic payment? Payment already is effectively by internal clearing tokens with settlement requiring correspondent banks and several days. What seems a pipe dream is thinking that doing the very same thing on a blockchain that's still a walled garden will fundamentally change anything. If they have a clever, new idea, they haven't shared it yet.

Quote

We should not confuse the gains of the Ripple Company with the potential gains of the Ripple Tokens.

The Ripple company can be earning money from implementation of the Ripple network and they will not come out worse off, if Ripple tokens really cannot take hold in the market place.

What are you imagining? That Ripple suddenly finds an entirely new multi-billion dollar business out of nowhere? Ripple's XRP has a notional value of something like \$10 billion. Ripple doesn't have anything else that comes anywhere close to that. If XRP goes up by a penny, Ripple has a potential profit in the hundreds of millions of dollars. I don't see how you think Ripple could sell payment software on that kind of scale.

Global, Amigo, mvenneau and 9 others

9

3

PX-508.22

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/9247-utility-settlement-coin-usc-competition-or-good-news/?do=findComment&comment=92421>

Utility Settlement Coin (USC) - Competition or good news??



By Guest1,

August 31, 2017 in

General Discussion

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JoelKatz

Posted September 4, 2017

Popular Post

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Ripple Employee

884

I make the "why XRP" case [here](#):

Here's the text:

Quote

The point of Ripple's payment technology is to eliminate all the obstacles to using XRP for settlement. If you think the answer to "Is Ripple's payment technology going to succeed?" is "yes", you only need four more "yes" answers for XRP to succeed:

- 1) Why a vehicle currency at all?
- 2) Why a digital asset as a vehicle currency?
- 3) Why XRP as the digital asset?
- 4) Would a vehicle currency see significant increased demand?

Four yes answers and you can see how XRP could succeed on a grand scale. Briefly:

- 1) You need to concentrate liquidity into the less popular corridors. If you're going from THB to SGD, you don't want the only liquidity to be THB/SGD because that will be thin.
- 2) Digital assets can be teleported around the world in seconds, don't require counterparties and aren't tied to one jurisdiction. It's hard to imagine building a truly open payment network without one.
- 3) XRP because it has higher transaction capability, much lower latency, advanced features specifically to support this use case, and there's a company that has billions of dollars worth of XRP on paper and is targeting building what's needed to make XRP work for this use case.
- 4) A vehicle currency would be expected to be in demand because if you're going to pay into any corridor the vehicle currency is liquid to, your payment costs are lowest if you hold the vehicle currency. It's also the cheapest currency to trade into because you can facilitate any else's payment into any of those corridors by taking their XRP when they need to make a payment. And lastly, those who hold assets hoping to make profits opportunistically will need to hold the assets others need to pay into those corridors, which will be XRP.

XRP200, LetHerRip, Xrphunter and 7 others

8

2

PX-508.23

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/10839-will-ripplet-accelerator-program-act-as-a-dilution-of-xrp/?do=findComment&comment=109343>

JoelKatz



Ripple Employee

884

Posted October 17, 2017

...

On 10/17/2017 at 5:18 PM, TerraDaddy said:

@JoelKatz

Why not just burn like 99.5 Billion of XRPs? BTC didn't need 100 billion of coins. IMHO 100b of coins is the real problem here. Market is not ready yet and by the time it will get ready Ripple might be displaced by something else.

If you want a cryptocurrency that doesn't have anyone with the resources and incentive to spend money to promote its use, there are plenty of them.

XrpAT, LetHerRip, Psuedosan and 6 others

 8


 1

PX-508.24

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/11056-xrp-ii-benefits-xrp-yes-no-maybe-so/?do=findComment&comment=111750>

JoelKatz



Ripple Employee

884

Posted October 22, 2017

Popular Post

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On 10/21/2017 at 6:36 PM, xrpwillrise said:

Is XRP-II basically "wholesale" XRP sold to banks/partners to cut deals and/or provide incentives?

As an XRP investor, should we find news of increased XRP-II sales as a good thing? If so, why?

XRP II does do wholesale XRP to partners and institutional investors. These are accompanied by various agreements that tie them to performance and limit their ability to sell the XRP too quickly, too soon.

I think there are a few reasons that you should find increase XRP-II sales a good thing and only one reason why you would find them a bad thing. I'll start with the one reason they're a bad thing -- compared to the sale not happening, they will increase the supply of XRP at least to some extent. Even with the limitations, XRP in Ripple's hands still is zero supply.

Here are a few reasons they're good things:

- 1) Many of these deals are cases where Ripple believes that incentivizing partners is good for the ecosystem.
- 2) Compared to Ripple selling on the open market, these tend to create less immediate supply of XRP.
- 3) Ultimately, less XRP being in Ripple's hands means less future supply. Since that future supply is, at least to some extent, priced in, reducing it should reduce some downward price pressure.
- 4) Institutional investors buy XRP because they think it's going to be worth more in the future. Institutional sales build market confidence.
- 5) Many of these deals mean more money for Ripple, which Ripple uses to hire employees, sign up partners, do regulatory outreach, and so on. To date, none of that money has been used to pay dividends to investors. It has all been retained and/or used by Ripple. Ripple's long-term goal is to maximize the value it gets from its XRP.

Psuedosan, ValiantAlways, joamamede and 42 others

26

18


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PX-508.25

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/11056-xrp-ii-benefits-xrp-yes-no-maybe-so/?do=findComment&comment=111778>

JoelKatz



Ripple Employee

884

Posted October 22, 2017

Popular Post

On 10/21/2017 at 9:22 PM, Tinyaccount said:

David (@JoelKatz), Can I ask has anything significantly changed in the XRP universe over the last month that has lowered your confidence in the long term success of Ripple and the future increased price of XRP? I know that you have said nothing is guaranteed... but overall we think signs are good. Do you still feel the same?

I felt a little bummed with the price drop during Swell, to be honest. But I know rationally that the price goes up and the price goes down and the short term prices don't really matter all that much.

As far as Ripple's execution goes, I feel better now than I ever have. Even the FUD now pretty much assumes that we'll take over payments. Now they just claim that still somehow that won't ever be reflected in the price of XRP. When you have moved the goalposts so far that your naysayers assume your startup will dominate a multibillion dollar industry, I'd say you've pretty much won.

2 hours ago, Tinyaccount said:

Do you think that further walled garden coins and internal block chains like Mastercards etc add or subtract from the utility of XRP?

I think they either do nothing or add. Unless a new walled garden takes over the world, walled gardens will always need bridging to other walled gardens. We need faster payments everywhere we can get them because with slow payments, fast settlement doesn't much matter.

2 hours ago, Tinyaccount said:

And forgive me for being so bold... but do you think we will see any metrics that indicate the real world uptake of xRapid? And will there come a time when institutions will be accessing XRP from the markets as we do?

I hope at some point we can announce xRapid volume. You should see it reflected in the reported XRP volume everywhere too. Just the commitments we have now should increase XRP volume by about 10% once they're in production. And we've just barely started trying to push xRapid. Only a very small percentage of XRP volume is Ripple off market transactions, and xRapid transactions should be on market, that is, visible, open, and increasing trade volume.

2 hours ago, Tinyaccount said:

I realise this is all a bit cheeky and you may not be able to, or have a desire, to answer any of this but if you could address any of it then I am sure it would be appreciated.

Lastly I think what you guys have done is awesome and I am grateful I can participate by buying XRP and chatting here. Thanks for your outstanding work, and for giving us the opportunity to prosper if all goes well. 🙏

Thanks.

As I said, I honestly feel more encouraged now than ever before. Sure, I'd like to see a higher price for XRP, but I'm definitely playing the long game.

xp3215233, thalhero, rippleic and 70 others

42

39

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PX-508.26

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/11874-can-the-first-usage-of-xrapid-actually-flood-the-market-with-xrp/?do=findComment&comment=121864>

Can the first usage of xRapid actually flood the market with XRP?



By iLeeT,

November 18, 2017 in

General Discussion

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JoelKatz

Posted November 20, 2017

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Ripple Employee

884

The experts we have used to design our programmatic sales system tell us that a 20 basis point net sales preference should have only a negligible effect on the price. Our programmatic sales is not part of any intentional attempt to stabilize or depress the price.

I'm hardly an expert on this subject, but I admit that I do find it somewhat difficult to believe that the effect on price is negligible. That just doesn't seem intuitively right to me. However, my own back of the envelope math suggests that the price is probably about one cent lower now than it would have been had Ripple stopped its programmatic sales one year ago. Again, I'm not an expert, but it seems reasonable to re-compute the market cap with and without the XRP that Ripple has released. And this gives you less than 2 cents a year. And it ignores two ways Ripple's sales can put upward pressure on the price:

1) When Ripple releases XRP, the overhang of XRP Ripple can release in the future is reduced. This overhang is, presumably, priced in now, so reducing it puts at least some upward pressure on the price.

2) When Ripple gets cash for XRP, that increases Ripple's ability to execute on its plans for XRP. If the probability of Ripple's successful execution of its XRP strategy is part of the price of XRP, then growth in Ripple's war chest should put upward pressure on the price.

But, as I've said at least twice already, I'm not an economist or an expert on economics. We do have such people involved in our XRP strategy.

LethHerRip, IAMGROOT, SimpleLife and 6 others



6




3

PX-508.27

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/11951-xrp-has-no-price-limitation-confirmed/page/2/>

JoelKatz



Ripple Employee

884

Posted November 22, 2017

Popular Post

On 11/22/2017 at 2:41 AM, WuWei said:

Considering the enormous amount of coins Ripple still holds, it would seem to me that even giving away a million xrps to each FI/Bank that would sign up to use it would be to their advantage. They've got 100 banks/FI's onboard so far, but I'd imagine that this strategy would be the quickest way to achieve widespread adoption, which is ultimately the holy grail of making their system work. This would mitigate any risk of holding, and actually using xrp as Ripple intended, and it would serve to build the RippleNet network quickly. Time is of the essence and this would establish the RippleNet network as a major player, if not THE key player in the global money transfer infrastructure. From my limited knowledge and perspective, this

Expand

I think we would do that if we had to. But it's very dangerous. You want an FI to commit and to spend their own money so they're motivated to get as much out of it as possible. We can't work with everyone at once, so being willing to spend money acts as a good way to select those institutions that really are committed to making it work.

As I said, I don't think we'd let this be an obstacle to something really good though. If an FI couldn't hold XRP or couldn't tolerate the volatility or had some other obstacle and there was some way we could make that obstacle go away, we would if we had to. This is Ripple's secret weapon -- we have that large stash of XRP that we can use to incentivize where it's needed.

Ant, Insoniac, Milly238 and 9 others

9


3

PX-508.28

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/12335-ripple-the-fundamental-value-of-xrp/?do=findComment&comment=127965>

JoelKatz



Ripple Employee

884

Posted December 1, 2017

Popular Post

On 12/1/2017 at 1:31 AM, FunkyGiraffe said:

My basic understanding is that a higher price for XRP would create more liquidity, less friction, and greater capacity in the network. I know using XRP = good, but can an expert please educate us technamalogically speekin'?

A higher price tends to correlate with more liquidity. It's not really a direct cause and effect relationship, but they tend to move in tandem.

The ideal situation for Ripple would be an increasing price over the long term with few downward spikes. This would increase Ripple's value and revenue which not only makes Ripple's stockholders and Board of Directors happy but also increase Ripple's ability to deploy resources to incentivize partnerships and build the ecosystem.

This would also reduce the cost of holding XRP. If the upside is worth more than the downside, FIs can hold XRP and give someone else both the upside and the downside of the volatility, giving them zero holding cost. This could lead to tremendously increased demand if Ripple is successful in promoting XRP as a vehicle currency.

Imagine if XRP is an intermediary for payments in many different corridors and the cost of holding XRP is zero or negative. Now, companies like AirBNB, Uber, and Amazon can make international payments as follows:

- 1) They receive assets all over the world.
- 2) When people need to make payments into places where they have assets, they provide the fiat currency and take the XRP. This lets them buy XRP at zero or negative cost because they are being paid by whoever is making the payment.
- 3) When they need to make payments, they only have to do half the payment because they already hold XRP, the preferred intermediary payment. So they would only pay about half the normal cost.

This is kind of my dream scenario for XRP. Companies that have to make payments around the world buy XRP at below market by facilitating other people's payments and use their XRP to make payments at below market because they only have to pay for the "from XRP" half. All those piles of XRP people are holding increase demand, increasing price, reducing the holding cost of XRP to zero or negative.

You can also imagine traders doing the same thing. They hold piles of XRP because this lets them be opportunistic and take other assets that people are trying to make payments with since they'll need XRP to buy the asset they're trying to deliver.

Whether it will happen is, of course, certainly not guaranteed. But Ripple's preferred price of XRP is as high as possible, preferably increasing, so long as sharp and/or steep drops are minimized.

xrp123, Insoniac, Omnius and 15 others

12

6

PX-508.29

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/12513-ripple-stock-anomaly-is-16b-valuation-a-fair-price/?page=2>

Ripple Stock Anomaly : is \$1.6B Valuation a fair price?

xrp

equity price

us equities

secondary market



By maverick,

December 4, 2017 in Marketplace

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JoelKatz

Posted December 4, 2017

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Ripple Employee

884

The numbers given in the first post are roughly accurate.

The upside of shares over XRP:

1. Ripple might earn revenue from sources other than XRP and you might get a share of that.
2. The price of shares of Ripple is low compared to the value of the proportional share of Ripple's XRP.
3. You become a shareholder of Ripple with particular legal rights.
4. Even if Ripple fails in the payments arena, if XRP succeeds anyhow, you could still benefit because Ripple holds so much XRP.
5. It's an illiquid asset, so it's possible it's very underpriced.

The upside of XRP over shares:

1. You can buy or sell with more flexibility as to time and price, adjusting your position as you see fit.
2. It's not clear how much of the value of the XRP Ripple holders will materialize as shareholder value.
3. If people think such a high discount to XRP's value is applicable to the shares now, they may continue to do so when you want to sell.
4. It's a more liquid asset than Ripple shares, so it's less likely to be very overpriced.

Summarizing them, the main issue is just that it's very hard to know what a share of Ripple stock should really be worth. There's minimal market price discovery and so many unknowns. The shares aren't very liquid, so you can't adjust your position if you change your mind. But if you're bullish on both XRP and Ripple over the long term and can qualify as a qualified investor, it's worth thinking about.

CAUTION: This is not anything specific about Ripple. But this is a general caution I always give people considering trading shares in a non-public company on a secondary market. There is a good chance that the person on the other side of the trade has inside information about the company that you don't. You will have to sign a form indicating that you accept this risk and as a sophisticated investor, you are presumed to know what you are doing.

corak, XRPledger, T8493 and 5 others



6



2

PX-508.30

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/12818-what-impact-would-a-ripple-takeover-have-on-xrp-price/>

What impact would a Ripple takeover have on XRP price?



By Spunkmeyer,

December 8, 2017 in

General Discussion

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JoelKatz

Posted December 8, 2017

Popular Post



Ripple Employee

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You have to remember, the vast majority of Ripple's value comes from the XRP we hold. So any deal that didn't have a central place for XRP just wouldn't make sense. You'd have to imagine some scenario where the combined company could better execute on some XRP strategy than Ripple could alone. Personally, I can't think of one, but that might be due to lack of imagination.

If you're not getting the XRP strategy and upside, what are you acquiring Ripple for? The team? The team is great, of course, but since the team could leave if there was a pivot away from XRP, I don't see it being worth the \$1.5 billion or more it would take.

That said, possible mergers/acquisitions are one of the few things that would be kept very, very quiet. And since I'm not on the Board any more, I wouldn't have any advance notice. So, for all I know, such a deal could be in the works right now.

drz, xrp123, I_just_want_a_McLaren and 12 others



13



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PX-508.31

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/14047-forbes-the-bear-case-for-xrp/page/3/>

Forbes - The Bear Case for XRP



By MOON,

December 20, 2017 in [Press](#)

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JoelKatz

Posted December 20, 2017

Popular Post



Ripple Employee

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There are a few technical errors, but I think the key thing is to look at his thesis.

He seems to concede that Ripple is building a better payments system that banks will use. That will mean huge volumes of payments on the network. And he doesn't see any technical obstacles to XRP being used as an intermediary asset.

Nevertheless, he's arguing that despite being able to build massive payments volume, having influence over almost every aspect of the system, with a phenomenal team, a war chest with a notional value in the tens of billions, and every incentive to make it happen, we still won't be able to get XRP to be used as a settlement asset. Why? Because it will magically happen for BTC all by itself.

RipDip, Vespao, JC83 and 51 others

37

10

7

PX500.32

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/17885-ripple-sold-916-million-of-its-digital-currency-xrp-last-quarter-as-the-price-surged-almost-30000/#comment-225444>



Member

168

On 1/24/2018 at 3:31 PM, cmbartley said:

Programmatic sales happen via exchanges and on XRPL. Sales to investors mean investors pay Ripple directly and Ripple transfers XRP from a Ripple-managed wallet to a wallet under the control/ownership of the investor.

Thanks!

But does the term "Programmatic" imply that this was more or less pre-determined, or against pre-determined rules? Whereas the 'direct sales' are based on the amount Ripple was willing to sell to 'new kids on the block' in this specific period? Again, I'm more or less undereducated at this!

JoelKatz

Posted January 24, 2018

Popular Post

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ipple Employee

884

Yes, that's exactly it.

Programmatic sales are made by market making on open markets. They don't include a lockup and Ripple has almost no control over who gets the XRP. They effectively become part of the open market.

Institutional sales are made directly to investors. They might include a lockup or other kinds of deals and Ripple gets to pick and choose who they do business with.

One good thing I think these numbers clearly prove is that Ripple doesn't have to sell XRP at a discount to FIs or make mass sales to institutions with no lockup to raise revenue. Sales on the open market are the majority of the volume. That means that Ripple can afford to be picky in who it makes institutional sales to and thus it's reasonable to infer that Ripple likely thinks those have strategic value.

Ripple does not need to sell XRP at a discount to raise revenue, the open market clearly suffices. And Ripple is not selling large amounts of XRP at a discount to undermine the market.

On the downside, if you think that Ripple is a brilliant strategist making amazing backroom deals that will incentivize the entire financial industry to use XRP, seeing that such backroom deals are a fairly small percentage of total XRP released might be thought of as a negative. Alternatively, it means we're confident we'll succeed without such deals or that such deals don't involve large amounts of XRP. The point is -- you have the data.

XRPbeliever, XRPeteSampras, Lukeboy and 12 others

11

4

PX-508.33

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/6233-ripple-vs-ethereum-not-the-price-but-the-merits/?do=findComment&comment=59437>

Ripple vs. Ethereum (Not the price, but the merits)



By Alluvial,

June 11, 2017 in

General Discussion

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JoelKatz

Posted June 11, 2017

Popular Post



Ripple Employee

884

There are really two separate issues. One is whether Ethereum competes with XRP generally. The other is whether Ethereum competes with XRP for the specific use case that Ripple, the company, is targeting. While the former is a complicated question. The latter is much simpler.

Settling international payments requires a vast pool of liquidity and somebody has to finance creating that pool of liquidity. Ripple holds 60% of the XRP supply and has the ability to use as much of that as is needed to bootstrap the liquidity to target that use case. It's hard to imagine anyone spending huge amounts of their own money to do that for Ethereum. If you just need a pool of liquidity, and someone else is building it, why should you pay to build it?

IAMGROOT, MemberBerry, StillSteel and 14 others

17


PX 508.34

PX 508.35

PX 508.35

<https://www.xrpchat.com/topic/3085-what-would-you-like-for-xrp/page/8/#comment-28495>

miguel



Ripple Employee

31

Posted February 26, 2017

AuthorPopular Post

A few things.

First and foremost, thank you for taking the time to respond and post. There are some great suggestions here, many of which, believe it or not, we are in the process of doing. Still, it means a lot that there is so much interest and support. Thank you.

Second, I wanted to provide a little color as to why I asked the question in the first place. Contrary to some, I didn't ask what you guys wanted because we're out of ideas, or because the plane is crashing and we're desperate, quite the contrary. I asked the question to sanity check the current path/strategy, get different perspectives than the ones we have internally, and most importantly make sure you know we are listening.

Though most of you are not Ripple employees, you are most definitely on the team, some only because you're long XRP, but many because, just like me, know that what Arthur and David created is a transformational piece of software that has the potential to change history. I can't promise each one of you is going to get what you want, but I can promise that you won't be ignored.

Thanks again and I hope all of you are having a great weekend.

Sent from my Nexus 6 using Tapatalk

Morty, MemberBerry, mike91 and 29 others

32

PX 508.36

<https://www.xrpchat.com/topic/3290-countering-the-%E2%80%98damocles-effect%E2%80%99/page/2/#comment-31259>

PX 508.37

XRPchat.com post by David Schwartz

<https://www.xrpchat.com/topic/3339-locking-up-ripples-xrp-with-crypto-conditions/?do=findComment&comment=32058>

Locking up Ripple's XRP with Crypto Conditions



By Xi195,

March 23, 2017 in

General Discussion

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JoelKatz

Posted March 26, 2017

Popular Post

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Ripple Employee

884

My position on this has evolved lately, largely due to conversations with Miguel. My position used to be that it didn't really matter but that locking up some XRP wouldn't hurt us and might help, so there was no reason not to do it. I was concerned that we might limit our future flexibility and so didn't advocate locking up on a tight schedule.

However, if we're going to lock up XRP on the ledger, we're doing it to provide more predictability. Locking up too little or for too short means we get less predictability. Too little gives effectively no predictability at all. Essentially, I was super-concerned about us needing XRP for something and not having it and ignoring the harm from overhang that we could have mitigated by locking up.

Now I think we probably should lock up as much as we think we can for as long as we think we can. If we don't, people will fear that if things aren't going so well, we'll be tempted to sell lots of XRP, precisely the fear we want to eliminate. In exchange, if we're doing well and need more XRP for some reason, we should just be able to buy it if we have to.

The only real downside to locking up too much XRP is if the price is getting too high and we want to use the opportunity to increase the supply but can't. First, that's a good problem to have. Second, in that case, we can still increase the supply at a predictable rate, and I don't see it being a problem if the price gets "too high". We're not looking to make money by selling XRP at temporary peaks -- that's never been our strategy.

Dxeed, MundoXRP, Ripple_Is_Super and 41 others

44